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ABSTRACT

This paper explores the Organization for Economic Cooperation and Development's (OECD's) influence on higher education policy development in Canada and examines the impact its free-market philosophy exacts on more traditional aesthetic, humanistic, and moral educational objectives. The OECD is an international body whose primary objective is to improve economic performance among its 29 member countries. By attempting to extend the corporate paradigm into the realm of education and recommending policy changes that it believes will improve economic performance, OECD encourages universities to transform traditional academic programs into technical training programs that supply the skills required by corporations. These measures not only direct society but also protect institutions from academic attack; that by promoting free-market ideology within schools and universities, OECD's recommendations insulate corporations from social criticism because they are validated by the very institutions responsible for social critique. Moreover, by refocusing attention on what are perceived to be the educational causes of economic problems, the OECD removes the focus from the actual corporate causes of unemployment. When the quality of education is defined in strict accordance with market economy values, such a narrow view is deeply destructive of humanistically constituted educational philosophies. (Contains 12 references.) (MAB)

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# Corporate Agendas and Higher Education: The Organization for Economic Cooperation and Development

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Introduction

> Perhaps the worst part of all the current emphasis is that it crowds out all the traditional and valuable functions of education in a democratic society. It pushes to the side the social and cultural and ethical goals. It makes central a view of students sitting in our classes as human capital to be prepared for globalization.[1]
>
> Larry Kuehn
> Globalization, Trade Agreements and Education

The Organization for Economic Cooperation and Development (OECD) is an international body whose primary objective is to improve economic performance indicators among its twenty-nine member countries. This living legacy of the Marshall plan, the U.S. led program designed to re-build Europe economically at the end of World War II, centers on a prevailing, economic point of view. It is motivated by the free market conviction that what is globally beneficial to transnational corporations is ultimately beneficial to all. As a proponent of the free market view, the OECD extends the corporate paradigm into the realm of education, an area where it has become increasingly active and influential. This paper explores the OECD's current influence on higher education policy development in Canada, and examines the impact its supply and demand philosophy exacts on more traditional aesthetic, humanistic and moral educational objectives.

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[1]Larry Kuehn, "Globalization, Trade Agreements and Education", *High Tech: Globalization and the Future of Canadian Education*, Ed. Marita Moll, (Fernwood Publishing, 1997), p.71.

The OECD: Policies and Objectives

Through policy analysis and development, OECD countries cooperate with each other and business in an effort to improve both domestic and global economic performance. The OECD's stated purpose "is to boost prosperity by helping knit a web of compatible policies and practices across countries that are part of an ever more globalized world."[2] To achieve this objective, the organization encourages market-driven flows of international trade, investment and capital, all policies favoured by transnational corporations.

Although the OECD was established to rebuild economically war ravaged Europe, it has since adopted a broader mandate that includes formulating global economic, health care and education policy. It also defines international trade rules and generally promotes global free market interests. The OECD's recent central involvement in the Multilateral Agreement on Investment and Trade (MAI), reveals the corporate world view held by this organization. The MAI, for example, as MacLean's Peter Newman suggests, effectively destroys the concept of the nation state by eliminating virtually all domestic control over economic policy formation. If the MAI is signed, nation states, for all intensive purposes, will be replaced by the global corporate state:[3]

> The heart of the MAI is that there ought to be no difference between domestic and foreign investors in any of the twenty-nine countries that make up the Organization for

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[2]*How the OECD Works*, Organization for Economic Cooperation and Development, www.oecd.ca, July 04, 1995.

[3]Peter C. Newman, "MAI: a time bomb with a very short fuse", MacLean's, March 2, 1998, p.51.

> Economic Cooperation and Development. Everything would be wide open in such a Darwinian world, up for grabs to the highest bidder. The MAI . . . goes even further than granting national treatment to foreign corporations. In effect it endows privately owned corporations with the power - but not the accountability - of nation states.

The OECD's emphasis on satisfying the economic objectives of transnational corporations is revealed in its emphasis on reducing the control individual nation states exercise over domestic policy formation. Its economic policies reflect the prevailing corporate view that global prosperity is predicated on the removal of international barriers to the movement of capital. Within this context, and considering these objectives, education is primarily, if not exclusively, viewed as a vehicle to enhance corporate relocation options. Higher education is considered a means to prepare students for the global labour pool required by transnational corporations.

OECD Influence on Higher Education

The OECD analyzes those education practices that affect each member nation's economic output, and recommends subsequent policy changes that it believes will improve economic performance. In *Education at a Glance: Analysis*, for example, the organization suggests that, "A well-educated and literate workforce yields national comparative [competitive] advantage and harnesses forces to counteract polarization and social seclusion. Today, adults need a high level of literacy to function well."[4] The kind of "functioning" referred to by the OECD is best understood within the wider context of

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[4]*Education at a Glance: Analysis*, CERI, (Paris: OECD, 1996), p.31.

global corporate objectives.

The Council of Ministers of Education, Canada (CMEC), an organization largely responsible for charting the direction of domestic education policy, confesses that the OECD plays a major role in shaping Canadian education policy:[5]

> Historically, 75 percent of the CMEC's international activities used to involve two major international organizations: OECD and UNSECO. Over time, other partnerships have been formed with such organizations as the Commonwealth, SEAMCO, the Council of Europe, and the APEC Education Forum, but OECD and UNESCO continue to play a prominent role.

This link between OECD education policy and Canadian education policy development is apparent within the university sector. According to the OECD, one major challenge confronting universities is ". . . to bring advanced learning to the whole population rather than the elite."[6] Although this objective appears an ostensibly noble aim, the organization's view of "advanced learning" is extremely limited in scope. The OECD, corporations and market economy governments increasingly view "advanced learning" as education that prepares individuals to fill the occupational roles of the information age. Alison Taylor explains:[7]

> Government sponsored reports in the 1990s reveal the alliance between government and business leaders and the

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[5]"An Update on CMEC's Activities", Council of Ministers of Education Canada, www.cmec.ca, January, 1997.

[6]*Introduction to Education at a Glance*. OECD: Paris, 1994, p.7.

[7]Alison Taylor, "Visioning Information in the Information Economy", Globalization and the Future of Canadian Education, Ed. Marita Moll. (Fernwood Publishing, 1997), p.18.

> economic vision shared by both. Recommendations in the area of education and training focused on increasing practical knowledge . . . to meet the labour force demand for skilled workers.

This view manifests itself in many of the OECD's documents dealing with education. In *Alternatives to Universities*, the OECD questions whether traditional institutions of higher education, i.e., universities, are the most suitable means to promote advanced learning. In attacking programs that lack occupational relevance, the organization celebrates the demise of traditional aesthetic academic values: "The hegemony of the traditional university sector has been substituted by a diversified, multi-functional institutional framework of higher education in all countries."[8]

According to the OECD, and in keeping with its supply and demand philosophy of education, universities wanting to survive in the information age must respond to transnational corporate human resource demands: "In the majority of countries universities have begun to rethink their relationship with the economy and their attitudes toward practical and occupational aspects of training".[9] In current practical domestic terms, this means encouraging university administrators to transform traditional academic programs into those supplying the technical skills required by corporations.[10]

> The essential issue is to ensure that the higher education system as a whole fulfills the multiple functions which modern society requires: providing general and vocational programs, initial and continuing education, short and long

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[8] *Alternatives to Universities*, (Paris: OECD, 1991), p.27.

[9] Ibid, p.46.

[10] Ibid, p.81.

> courses. It is less important whether these different provisions are offered in the university or non-university sector, so long as they are catered for . . .

The dismantling of humanistic models of higher education in favour of the free-market paradigm is continued in *Industry and University: New Forms of Cooperation and Communication*. The OECD explains that, "In the last decade, industry-university relations have undergone major shifts and changes. Traditional approaches have turned out to be insufficient in the face of rising expectations stimulated by intense international competition."[11] Once again, the university sector is expected to respond to transnational corporate human resource demands, and academic institutions in OECD countries are under government pressure to comply. In Ontario, for example, Premier Mike Harris has challenged universities to cut programs which are not job-oriented: "I would like to see a fast-tracking of decisions that will provide for more programs of relevance."[12]

OECD Education Policy and Corporate Ideology

If corporate interests shape education practices through OECD policies, they not only direct society but also protect their institutions from academic attack. By promoting free-market ideology within schools and universities, corporations insulate themselves from social criticism because they are validated by the very institutions responsible for social critique. On a domestic level, market forces and the philosophy behind them

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[11]*Industry and University: New Forms of Cooperation and Communication.* (Paris, OECD, 1984), p.27.

[12]Jennifer Lewington, "Be more relevant, universities urged", *The Globe and Mail*, November 20, 1997, A10.

currently dictate government policy on everything from health care to education.

There is another ideological advantage gained by the OECD and transnational corporations in advancing a employability model of education. By re-focusing attention on what it perceives to be the educational causes of economic problems, the OECD removes the focus from the actual corporate causes of unemployment. In fact, there is little point in teaching skills that employers require if there are simply no jobs available for those possessing these skills. Educating students in the employability model, regardless of content, will not create jobs in the economy.

At this year's spring convocation at the University of New Brunswick in Saint John, Rev. Phillip J. Lee, a Presbyterian minister and recipient of an honorary doctorate degree from the University of New Brunswick, warned graduates about the pervasiveness of corporate ideology and its negative impact on social justice. Borrowing a phrase from Shakespeare's *Hamlet*, he told graduates that the "time is out of joint".[13]

> . . . you and I, we are told, we have no freedom. Because we are told day after day by a relentless barrage of information, outside of those strictures of the global market place, there are no longer any choices to be made. So, for example, we would like to have the best public school system possible but we are told we can't afford it. We would like to have a public health care program second to none but we are told the global market will not allow it. When will a teacher or prophet in our day have the courage to say, 'But wait, human beings were not made to serve the economic system. An economic system was made to serve human beings.'?"

Unfortunately, the alternative discourse offered by Rev. Lee that favours social justice

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[13]Glen Allen, "The time is out of joint", *The Telegraph Journal*, May 23, 1998, A1.

and academic freedom over market economy principles is granted little credibility in the mainstream media, nor is it a view widely reflected in public education policy. As Maude Barlow and Heather-Jane Robertson suggest, the belief that education is about debating competing world views has been all but totally abandoned. "The premise that education is about creating alternative futures has been discarded; instead, we are to teach students to cope with a future of known, frightening characteristics."[14] As Reverend Lee argues, corporate influence over education prevents challenges to the status-quo by making the free-market system's appropriateness, or at least inevitability, appear self-evident. Through corporate discourse and ideology, we are led to believe that alternatives to a global free market system are not just unlikely or undesirable, but rather they are simply impossible.

Conclusion

Allowing the market place to determine educational objectives has far reaching negative consequences for higher education practice. The global market maintains that market practices rather than government departments provide the most effective means to allocate goods and services, including education, in society. The prevailing corporate discourse maintains that the public economic interest is best served through the free interplay of individuals competing in the marketplace, a view the OECD extends into the field of higher education. Within this framework, education responds to the demands of

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[14]Maude Barlow and Heather-Jane Robertson, *Class Warfare*, (Toronto: Key Porter Books, 1994), p.122.

the market place in a manner similar to other free-market services. If a given ability or skill is not required by the marketplace, its "value" is reduced accordingly.

The free-market approach to learning threatens the quality of education in a variety of ways. In the new educational market place, yield, output, quantity and turnover overshadow more traditional educational objectives. Aesthetic and humanistic educational ideals such as art, beauty, harmony and self-actualization are simply unable to compete. Education is not viewed as a means for self or social expression. Neither is it considered an essential instrument to heighten aesthetic, spiritual, critical or creative sensibilities.

Within the corporate context, quality education is redefined in strict accordance with market economy values; its objective is simply to satisfy the human resource demands of corporations. The purpose of education becomes starkly utilitarian and its "quality" is defined and assessed accordingly. Such narrow views on education are deeply destructive of educational philosophies that are humanistically, socially, culturally and morally constituted. University administrators and policy developers must ask themselves if this is the model of higher education they wish to create.

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